

SENATE EDUCATIONExhibit No. 6Date 2/18/15Bill No. SB 328

18 February 2015

RE: SB328 – College Savings Accounts

Distinguished Members of the Senate Education and Cultural Resources Committee—

I urge you to pass Senate Bill 328; the Education is the Best Bet Savings Account Program.

As a member of the National Steering Committee of the Corporation for Enterprise Development (CFED) Asset and Opportunity Network, I have had the opportunity to brainstorm, discuss, and analyze various children's education savings initiatives across the country. From San Francisco to Nevada, from Cuyahoga County to Oklahoma, one thing is clear – families want to save for their children. With the right tools and appropriate support, research and demonstration, projects have shown that programs like the Education is the Best Bet Savings Account empower *all* families to invest in their children's futures.

Here in the Treasure State, we believe in hard work, honest pay, and helping our neighbors. The Education is the Best Bet Savings Account Program capitalizes on this shared ethos in developing a program that truly serves the needs of our Montana community. Elements like the savings-match requirement of SB 328 build a sense of ownership while mindfully investing state monies, a win-win for constituents and stewards of state resources alike.

Research has shown that seeded savings accounts like those proposed in SB 328 catalyze lasting change. Beyond actual dollars accrued, seeded savings increase self-sufficiency, improve children's educational success, promote lifelong savings habits, and lead to improved economic well-being.

These ripple effects result from even the smallest of savings. For modest-means families, designated college savings of under \$500 have a meaningful and measurable impact in both college enrollment and college graduation (as compared to children without designated college savings).

While not everyone goes to college, designated children's savings programs, like the one proposed today can be used for *any* post-secondary accredited education program, including trade school and technical training. Programs like these give parents the opportunity to plan, and children the opportunity to dream, for a future that was once out of reach. I ask that you please vote "yea" and pass SB 328 and allow Montanan's the increased economic mobility saving from birth cultivates.

Sincerely,

Christina S. Barsky

National Steering Committee of the Corporation for Enterprise Development

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